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Report Name: Fresh Deciduous Fruit Semi-annual

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Prepared By: Masego Moobi and Amy Caldwell

Approved By: Ali Abdi

Report Highlights:

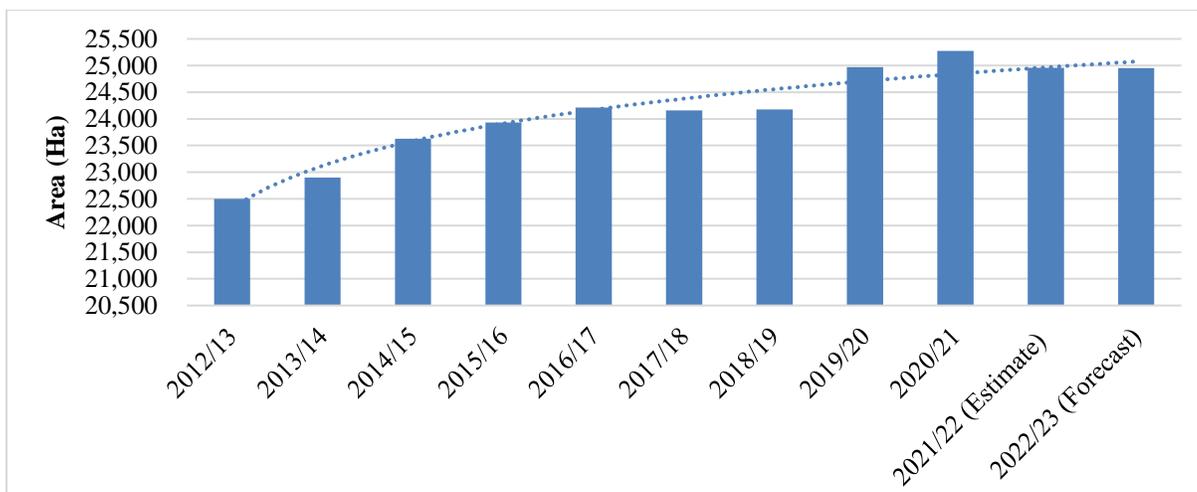
The production of apples, pears and table grapes is estimated to decrease slightly in the 2022/23 Marketing Year (MY), based largely on stagnated production area and a return to normal yields following record production for all three commodities. Apple and pear producing regions experienced hailstorms in November 2022 which damaged the crop, while the heatwave in January 2023 in the Northern Cape led to table grape losses. South Africa is self-sufficient in production of deciduous fruits and only imports small quantities to fulfill niche markets or to satisfy demand during the off-season when supply is limited. Lower exportable supply and challenges in port access are forecasted to reduce exports of apples, pears and table grapes in MY 2022/23.

Apples, Fresh

Area

The area under apple production has enlarged steadily over the past decade with an average growth rate of more than one percent per annum (see Figure 1). This positive trend has been driven by ongoing investments into the deciduous fruit sector on relatively high earnings and improved profitability from export markets. In addition, enhanced cultivars and better farming practices that included investment in netting, resulted in higher yields. However, despite excellent production seasons the area under apple production in South Africa is estimated to flatten in MY 2022/23 to 24,950 hectares (ha) or almost 36 million apple trees, with negligible new planting. Accelerating farming input costs, elevated costs of packaging materials and storage costs, high shipping rates and depressed markets are diminishing the profitability of apple and limiting continued investment in crop expansion. Ongoing shipping delays at the local ports are negatively impacting the quality of fruit to the export markets and ultimately lowering returns to growers. The industry appears to be in a consolidation phase, with growers focusing investments on increased yields, reliable sources of power and water, and vertical integration to offset high input costs.

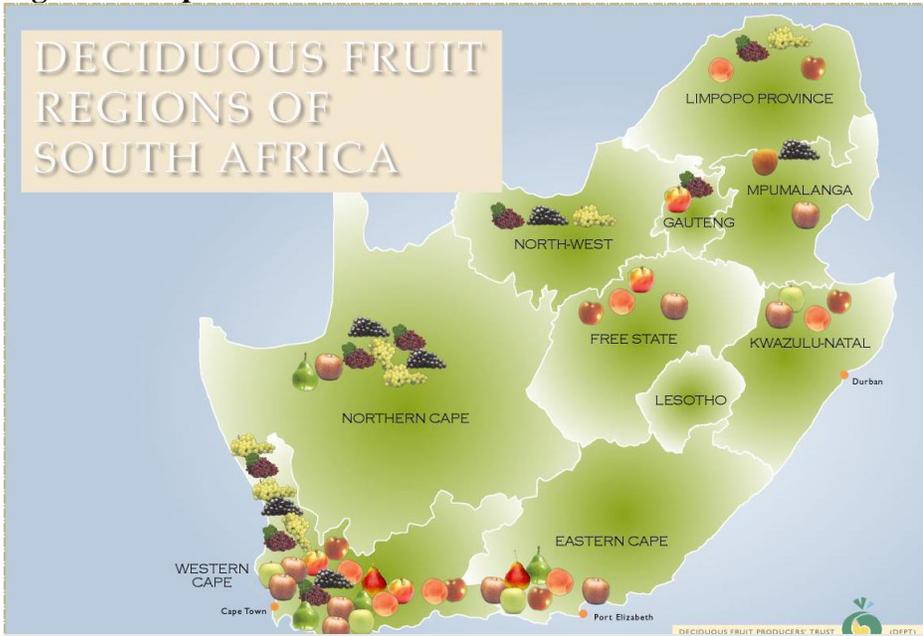
Figure 1: Area Planted and trendline to Apples in South Africa



Source: Hortgro

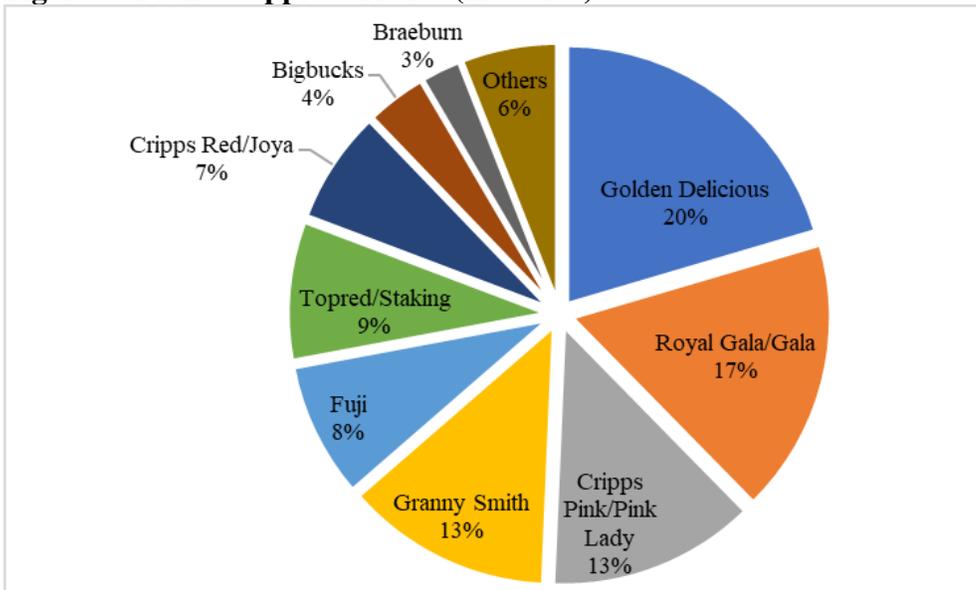
The Western Cape province is the largest apple producing area in South Africa, and together with the Eastern Cape province, accounts for more than 95 percent of the apple production (see Figure 2). Small, but growing production areas were established further north mainly in the Free State, Mpumalanga, and Limpopo Provinces. Harvest for South African apples typically begins at the end of January and runs through to June, with peak harvest times falling between February and April. Controlled atmosphere (CA) storage allows the industry to provide product to both the domestic and international markets year-round. Class 1 fruits are usually stored in CA for about 9 months, then released into Regular Atmosphere (RA) storage for a shorter term (3 months). Post contacts indicate that there is increased demand of cold storage and plans are underway to expand.

Figure 2: Map of the Deciduous Fruit Production Areas in South Africa



Source: Hortgro

Figure 3: Planted apple varieties (Hectares)



Source: Hortgro Tree Census, 2021

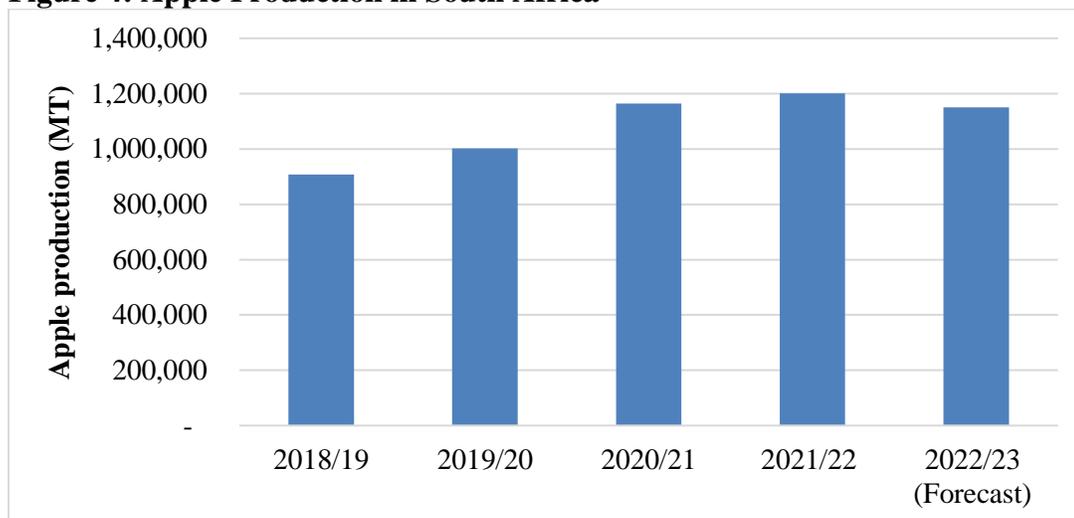
Six cultivars dominate apple production in South Africa and account for more than 80 percent of area planted. The cultivars of choice are mainly determined by consumer preference and demand in South Africa’s export markets. However, plantings over the past five years have been driven by producers’ desires to increase yields.

Production

Post forecasts that apple production in South Africa will drop by four percent to 1.15 million metric tons (MMT) in MY 2022/23 (see Figure 4). This forecast is based on a stagnated production area and a return to normal yield following record production in MY 2021/22. In November 2022 hailstorms in some areas of the Western Cape province damaged the crop. Growers in the region reported that their apples destined for processing increased from an average of 20-25 percent annually to 55-60 percent in MY 2022/23. Post contacts suggested that about 100,000 tons of apples that would usually be intended for fresh consumption have been diverted for processing in MY 2022/23. As a result, many juicing factories are at capacity for the season and closed doors to non-affiliated producers. Without a clear market for lower-quality product, Post forecasts that unharvested area will grow slightly in MY 2022/23, reducing production volumes.

In MY 2021/22, South Africa produced a record apple crop of 1.20 MMT. Favorable rains and adequate chill units during the winter of 2021, guaranteed that producers had enough water for irrigation and favorable fruit development. Conducive weather conditions continued throughout the season ensuring an excellent crop and fruit quality. In addition, more young orchards came into production, contributing to higher volumes.

Figure 4: Apple Production in South Africa



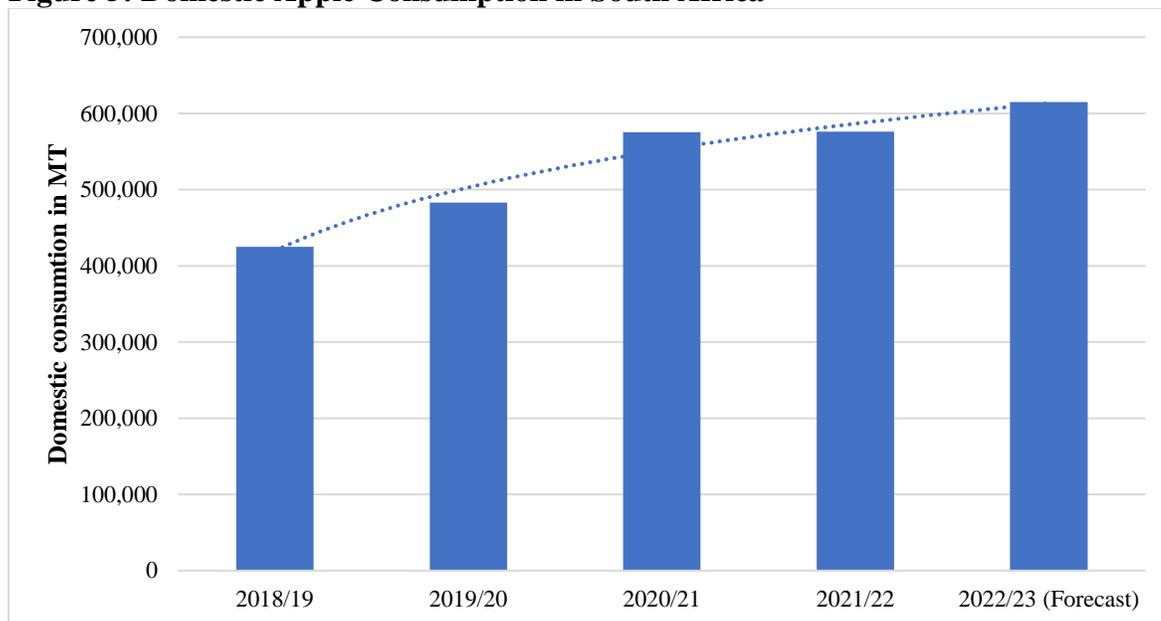
Source: Hortgro and Post estimates

Consumption

Apples are popular in South Africa and are widely consumed throughout the year. Hailstorms in MY 2022/23 increased supply of non-export quality apples and apple juice in the local market. High costs of cold storage fueled by loadshedding and pressure on coldstore capacity also contributed to a significant volume of apples (largely goldens) appearing on the local market immediately following harvest. The increased supply and lower prices are expected to drive many South African consumers to apples, an affordable fruit, as they seek options to maintain healthy diets despite high food inflation. As a result, Post revises consumption upwards to 615,025 MT in MY 2022/23. Local consumption of apples is

expected to increase by 7 percent in MY 2022/23 to 615,025 MT up from 576,022 MT in 2021/22 (see Figure 5). Consumption figures include fresh market sales, as well as apples destined for processing.

Figure 5: Domestic Apple Consumption in South Africa



Source: Hortgro and Post estimates

In MY 2021/22, local apple consumption remained constant at 576,022 MT. Stagnation in consumption was due to relatively higher production of exportable apples and declined supply and increased prices in the domestic market. Additionally, slow economic growth and inflationary pressure led to a decline in disposable income of consumers and drove consumer purchase towards food staples as opposed to apples (see [South Africa: Food and Fuel Feed Rising Inflation](#)).

Exports

Post revises the export forecast downwards to 535,000 MT in MY 2022/23 on lower production of export-quality apples due to hail in major growing region. South Africa's apple exports are forecasted to drop by 14 percent to 535,000 MT in MY 2022/23 down from 625,103 MT in 2021/22. In MY2021/22 apple exports increased by six percent to 625,103 MT on a record crop. The growth rate could have been larger, but South Africa's exports of apples in MY 2021/22 were under pressure due to raising shipping cost, local port challenges, the impact of the Russia-Ukraine conflict on established trading patterns and inflationary pressure in the United Kingdom (UK).

Exports to Africa are largely driven by strong demand (especially for pink lady, gala, and golden delicious varieties), limited competition in these markets, and apples' ability to endure suboptimal handling conditions. However, exporting to African countries is limited by the high cost of trade and logistical challenges. South Africa has free trade agreements with both the European Union (EU) and the UK, and benefits from duty free exports in these markets.

Although African and European markets have been traditionally strong, growth is expected to be driven primarily by increasing exports to the East. South Africa's apple exports to India grew by almost 67 percent in 2022, after the government of India approved in-transit cold treatment for South African apple and pear exports. Exports to India are forecast to grow even higher in MY 2022/23 as South African exporters seize opportunities created by increased tariffs on competitors.

Table 1: South African Fresh Apple Exports

Export destination	Unit	MY		MY	MY	% Change
		2020/21	2021/22	2021/22	2022/23	
World	T	589,186	625,103	100,406	116,656	16%
United Kingdom	T	89,598	77,948	1,450	1,105	-24%
Nigeria	T	43,790	56,937	13,235	10,191	-23%
Bangladesh	T	37,496	38,008	13,325	18,978	42%
Malaysia	T	36,210	37,413	5,307	6,458	22%
United Arab Emirates	T	27,486	34,791	9,336	12,980	39%
Russia	T	31,711	26,463	492	863	75%
Vietnam	T	16,878	23,783	1,453	3,174	118%
Senegal	T	22,049	22,772	4,332	3,756	-13%
Netherlands	T	24,086	21,786	283	341	20%
Kenya	T	18,999	17,558	2,359	3,008	28%
India	T	10,446	17,470	3,703	6,754	82%
Zimbabwe	T	12,969	16,095	2,893	2,440	-16%
Zambia	T	12,485	15,508	2,876	2,730	-5%
Botswana	T	14,070	14,172	3,524	3,624	3%
China	T	9,028	13,223	2,840	3,959	39%
Ghana	T	14,856	12,667	3,514	3,021	-14%
Germany	T	9,396	11,987	71	123	73%
Cameroon	T	11,146	10,784	1,906	2,186	15%
Namibia	T	8,995	10,678	2,275	2,618	15%
Others	T	137,494	145,060	25,233	28,346	12%

Source: Trade Data Monitor

Imports

South African production of apples has been increasing on average by 4 percent annual since MY 2017/18. Production gains and improvements in storage technologies have substantially dampened import demand. Post revises imports downwards to 25 MT in MY 2022/23 based on an increase in non-exportable, lower grade apples supplied in the local market. MY 2021/22, imports of apples are revised downwards to 25 MT on record production.

The customs duties payable on imports are indicated in Table 2. United States apple exports are subject to a four percent customs duty. The United States currently has market access for apples from areas free of *Rhagoletis Pomonella* (apple maggot). The protocol stipulating the phytosanitary import requirements is available on the website of the Department of Agriculture, Land Reform and Rural Development (DALRRD) ([Phytosanitary import requirements for importation of Apples from USA,PNW to South Africa](#)).

Table 2: Tariff Rates, Fresh Apples

Heading Subheading	Article Description	Rate of Duty					
		General	EU/UK	EFTA	SADC	Mercosur	AfCFTA
0808.10	Apples, fresh	4%	Free	4%	Free	4%	3.2%

Source: South African Revenue Services (SARS)

Table 3: Production, Supply and Distribution of Fresh Apples

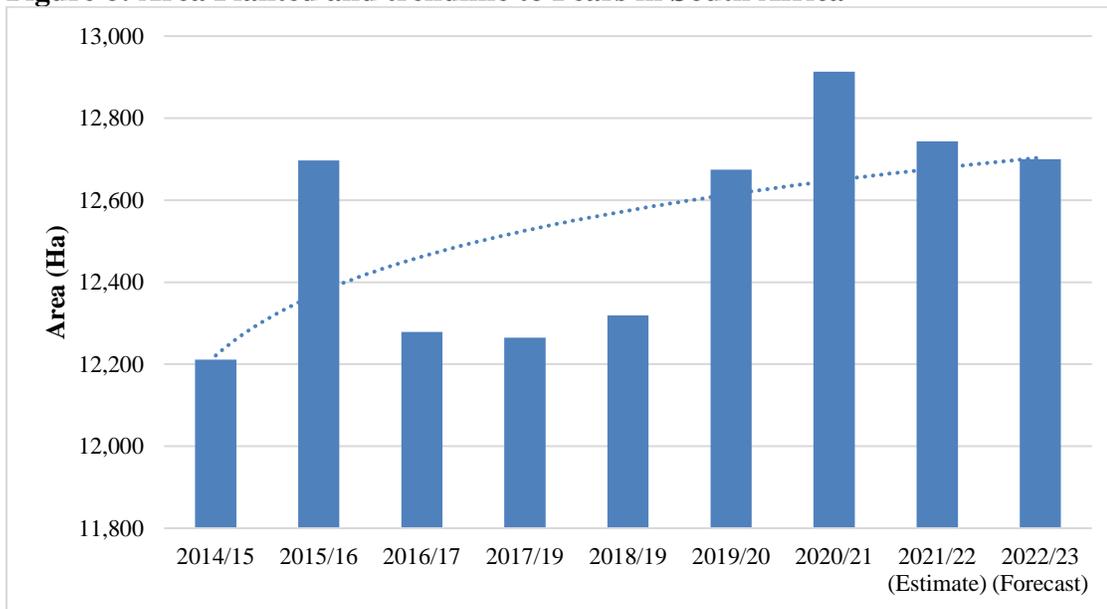
Apples, Fresh Market Year Begins	2020/2021		2021/2022		2022/2023	
	Jan 2021		Jan 2022		Jan 2023	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	25272	25272	24956	24956	24950	24950
Area Harvested (HA)	22580	22580	22850	22850	22800	22300
Bearing Trees (1000 TREES)	32540	32540	33637	33637	33560	33700
Non-Bearing Trees (1000 TREES)	3934	3934	3100	3100	3470	2700
Total Trees (1000 TREES)	36474	36474	36737	36737	37030	36400
Commercial Production (MT)	1164105	1164105	1170000	1201100	1100000	1150000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	1164105	1164105	1170000	1201100	1100000	1150000
Imports (MT)	200	173	200	25	200	25
Total Supply (MT)	1164305	1164278	1170200	1201125	1100200	1150025
Domestic Consumption (MT)	575105	575092	545200	576022	540200	615025
Exports (MT)	589200	589186	625000	625103	560000	535000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	1164305	1164278	1170200	1201125	1100200	1150025
(HA) ,(1000 TREES) ,(MT)						

Pears, Fresh

Area Planted

Pears are the third largest deciduous fruit produced in South Africa, representing 17 percent of the total area under deciduous fruit production. The area under pear production has increased steadily over the past decade with an average growth rate of around one percent per annum to an estimated 12,700 ha or 18 million trees in MY 2022/23 (see Figure 6). As with apple production, the expansion in pear production was driven by relatively high earnings from export markets and sound financial returns on investments. However, the area under pears is expected to flatten in the coming years. Accelerating farming input costs and high shipping rates are diminishing the profitability of pear producers which limit continued investments in the industry. Contacts have suggested that the industry is in a stage of caution due to macroeconomic factors, challenges in accessing export markets, and an uncertain future for the pear canners. As a result, Post revises its forecast for South Africa's production area of pears down slightly to 12,700 ha in MY 2022/23.

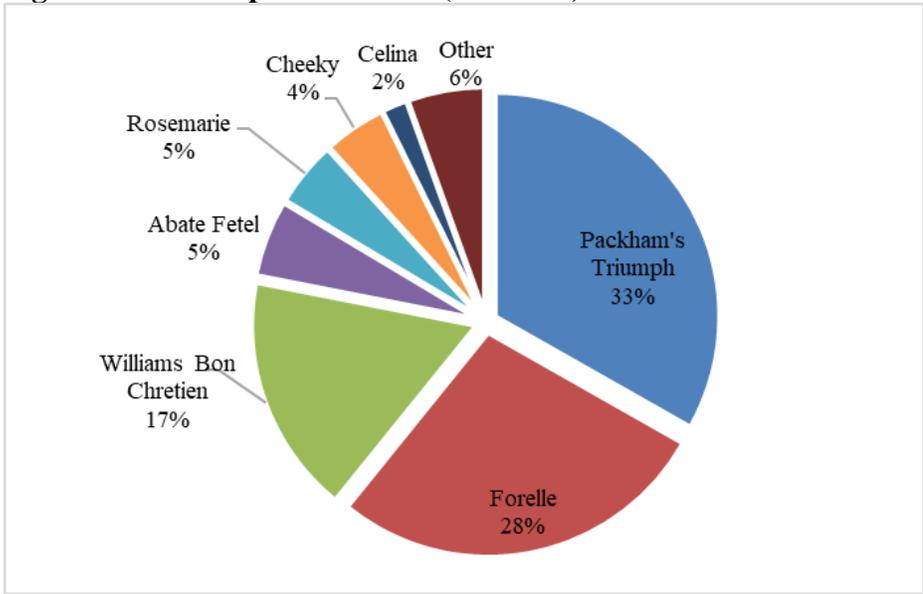
Figure 6: Area Planted and trendline to Pears in South Africa



Source: Hortgro

Pears grow well in areas with moderate temperatures. Like apples, pears are predominately grown in the Western Cape province of South Africa, which receives most of its rainfall during the winter months (May to July). Collectively, the top three cultivars represent almost 80 percent of pear plantings in South Africa (see Figure 7).

Figure 7: Planted pear varieties (Hectares)

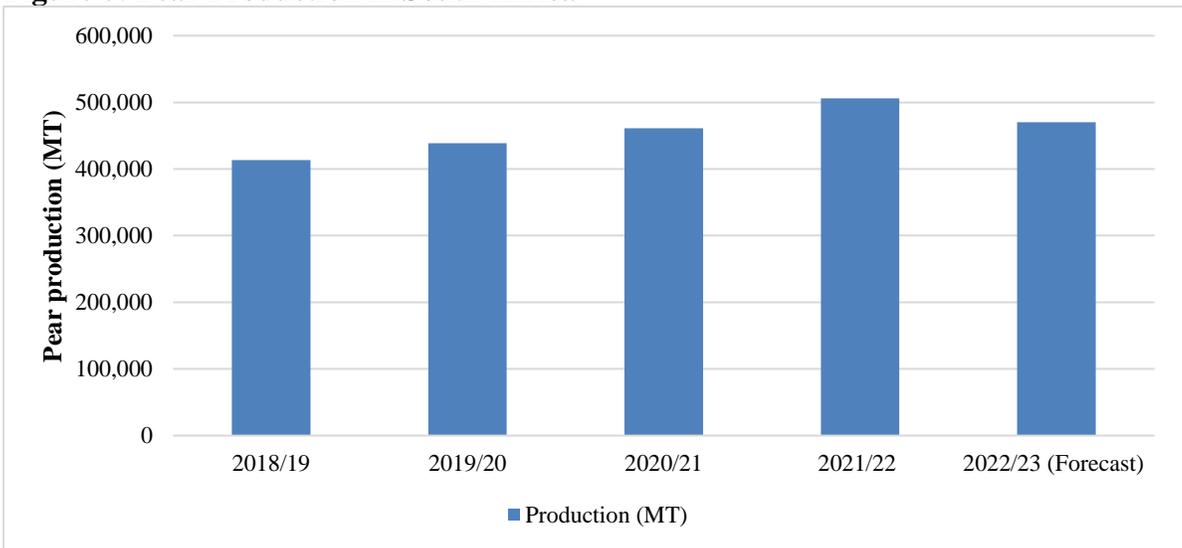


Source: Hortgro Tree Census, 2021

Production

Post revises production upwards to 470,000 in MY 2022/23 based on heavy rains received in November and December 2022 which provided sufficient irrigation water for the season. However, this is a decline by 7 percent in MY 2022/23, down from 506,200 MT in MY 2021/22 based on hailstorms damage in a pear producing region, a return to normal yields, and zero growth in production area. Pear production in MY 2021/22 was at a record 506,200 MT. Pear orchards received good rain and sufficient chill units in 2021, resulting in excellent fruit set and quality. According to Hortgro, South Africa produced 461,200 MT of pears in MY 2020/21 (see Figure 8).

Figure 8: Pear Production in South Africa



Source: Hortgro and Post estimates

Consumption

The industry is mainly export orientated with more than 50 percent of pear production destined for foreign markets. Locally, less than 25 percent of total pear demand is consumed fresh, while the majority is destined for the processing industry. Post revises domestic consumption downwards to 195,200 MT in MY 2022/23. The revision is based on an increase in exportable pears and a surge in apple supply in the domestic market at lower prices, which is expected to drive consumer preference towards apples. Local consumption of pears is revised upwards to 218,966 MT in MY 2021/22, an increase by two percent from 214,259 MT in MY 2020/21 on record production. Consumption figures include fresh market sales, as well as pears destined for processing.

Exports

Post revises exports upwards to 275,000 MT in MY 2022/23 on increased opportunities in China due to new market access and improving trade logistics to Russia. In MY 2021/22 pear exports are revised upwards to 287,406 MT on record production and increased by 16 percent from 247,122 MT in MY 2020/21.

Pear exports to India grew by 35 percent between MY 2020/21 and MY 2021/22 based on approved in-transit cold treatment for South African apple and pear exports. South Africa's pear exports to the United States are minimal at less than a 1,000 MT per annum.

With the signing of the food safety protocols in 2021, South Africa received final approval to export pears to China. As a result, South Africa's inaugural pear shipment arrived in China on September 2022. The one-container trial shipment was 18 years in the making. In MY 2021/22 South Africa exported 558 MT of pears to China and 826 MT by March of MY 2022/23. Post anticipates that China will be a growing market, with larger volumes exported in later MY 2022/23.

Table 4: South African Fresh Pear Exports

Partner	Unit	MY	MY	Jan – Mar		% Change
		2020/21 (MT)	2021/22 (MT)	MY 2021/22	MY 2022/23	Jan – Mar
Russia	T	49,870	51,867	13,693	14,408	5%
Netherlands	T	35,193	50,805	26,768	17,905	-33%
India	T	21,167	28,507	5,842	6,910	18%
United Arab Emirates	T	20,249	28,223	8,514	9,653	13%
United Kingdom	T	14,524	13,753	3,332	4,528	36%
Indonesia	T	9,080	9,958	1,774	2,514	42%
Malaysia	T	7,620	8,618	1,829	2,058	13%
Italy	T	5,545	7,718	4,252	4,660	10%
Saudi Arabia	T	6,555	7,402	2,703	2,185	-19%
Canada	T	6,791	6,919	2,778	3,645	31%
Germany	T	4,610	5,469	1,399	690	-51%
Vietnam	T	3,255	4,902	688	309	-55%

Singapore	T	3,887	4,821	1,067	1,344	26%
France	T	5,744	4,672	2,983	1,689	-43%
Nigeria	T	3,992	4,395	1,171	1,042	-11%
Portugal	T	5,568	4,310	1,250	2,381	90%
Qatar	T	2,503	3,230	1,143	556	-51%
Oman	T	3,276	3,210	1,129	1,090	-3%
Botswana	T	2,932	3,035	751	643	-14%
Hong Kong	T	3,429	3,023	366	1,279	249%
Senegal	T	1,949	2,452	318	479	51%
Others	T	29,383	30,117	6,991	8,623	23%
Total	T	247,122	287,406	90,741	88,591	-2%

Source: Trade Data Monitor

Imports

As the second largest pear producer in the Southern Hemisphere after Argentina, South Africa imports minimal quantities of pears (around 200 MT) mainly from China and United Arab Emirates. Post revises imports downwards to 172 MT in MY 2021/22 based on increased production. The United States does not have market access for pear exports to South Africa. In July 2010, the United States requested market access for pears, however progress on this request stalled and the process has not been finalized. If South Africa grants access, United States exports of pears would be subject to a four percent customs duty as indicated in Table 5.

Table 5: Tariff Rates, Fresh Pears

Heading Subheading	Article Description	Rate of Duty					
		General	EU/UK	EFTA	SADC	Mercosur	AfCFTA
0808.30	Pears, fresh	4%	Free	4%	Free	4%	3.2%

Source: SARS

Table 6: Production, Supply and Distribution of Fresh Pears

Pears, Fresh Market Year Begins South Africa	2020/2021		2021/2022		2022/2023	
	Jan 2021		Jan 2022		Jan 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	12913	12913	12743	12743	12740	12700
Area Harvested (HA)	12000	12000	12000	12000	12000	11600
Bearing Trees (1000 TREES)	16550	16550	16970	16970	17000	17115
Non-Bearing Trees (1000 TREES)	1440	1440	1045	1045	1020	900
Total Trees (1000 TREES)	17990	17990	18015	18015	18020	18015
Commercial Production (MT)	461200	461200	495000	506200	450000	470000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	461200	461200	495000	506200	450000	470000
Imports (MT)	200	181	200	172	200	200
Total Supply (MT)	461400	461381	495200	506372	450200	470200
Domestic Consumption (MT)	214300	214259	215200	218966	200200	195200
Exports (MT)	247100	247122	280000	287406	250000	275000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	461400	461381	495200	506372	450200	470200
(HA) ,(1000 TREES) ,(MT)						

Prices

The apple and pear prices indicated in Table 7 are the average prices (Rand/MT) earned in the respective markets. The increase in apple and pear export prices from MY 2010/11 to MY 2015/16 was mainly due to the depreciation of the rand. In MY 2016/17, the rand strengthened against the United States dollar which lowered average export prices. Export prices for both apples and pears decline in MY 2020/21 but remains lucrative in comparison to the local and processed markets. Information on table grape prices is unavailable.

Table 7: Local and Export Price of Apples and Pears

Marketing years	APPLES			PEARS		
	Local Market	Export Market	Processed Market	Local Market	Export Market	Processed Market
	(R/MT)	(R/MT)	(R/MT)	(R/MT)	(R/MT)	(R/MT)
2010/11	4,326	6,210	737	3,856	6,612	896
2011/12	4,470	6,531	1,146	4,191	6,803	1,115
2012/13	4,845	8,658	1,137	4,650	8,835	1,316
2013/14	4,944	10,136	1,141	4,815	9,900	1,376
2014/15	5,024	10,689	1,142	5,164	9,977	1,561
2015/16	5,556	10,815	1,431	5,605	11,157	1,861
2016/17	5,554	9,651	1,336	5,677	10,029	1,593
2017/18	5,868	11,419	1,522	5,673	11,373	1,553
2018/19	6,455	11,504	2,017	6,335	11,600	1,938
2019/20	6,288	13,159	1,975	6,198	13,745	1,884
2020/21	6,379	12,145	1,597	6,301	12,211	1,930

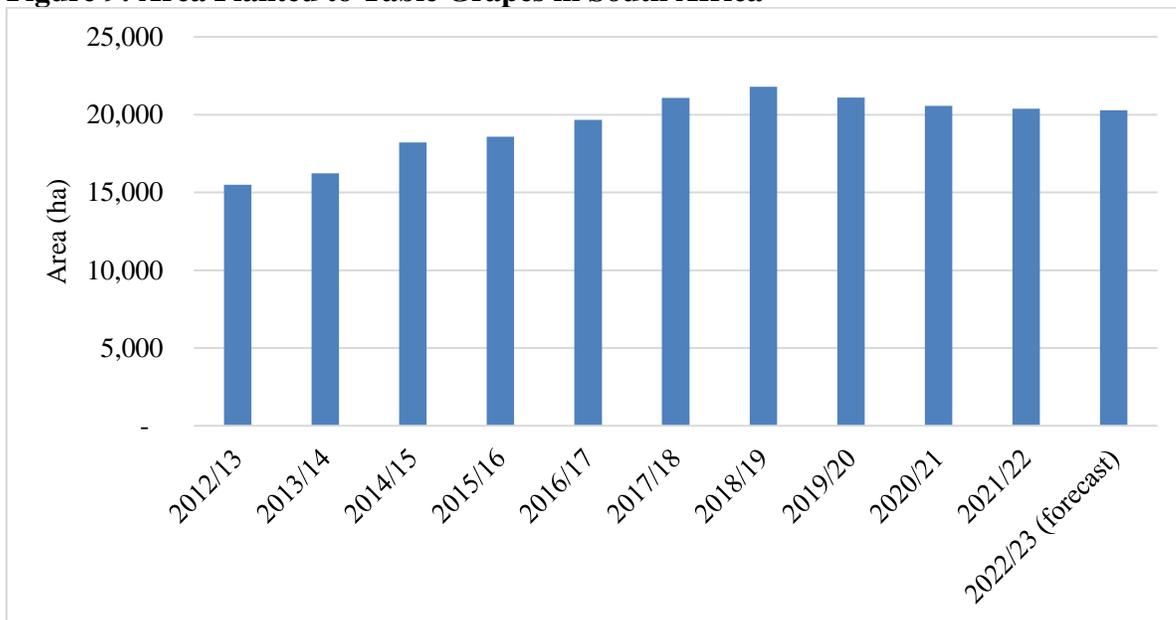
Source: Hortgro

Table Grapes, Fresh

Area Planted

Table grapes are the second largest deciduous fruit crop produced in South Africa, representing almost 30 percent of the total area under deciduous fruit production. Post estimates that area planted with table grapes in South Africa remained relatively static at 20,270 ha in MY 2022/23, compared to 20,379 ha in MY 2021/22. After a sharp increase in table grape area from 2012 to 2017 (see Figure 9), mainly driven by growing export earnings, the crop's area stagnated at around 20,000 ha. The current surge in the cost of farming inputs, ineffective ports operations, deteriorating road networks, increased competition from other southern hemisphere countries, and frequent disruptions to the electricity supply (for more information, see Post's GAIN report: [Load Shedding and Economic Strain on the Food Supply](#)) are diminishing the profitability of table grape producers in South Africa and limiting new investments in the industry. Producers saw increased input costs in MY 2021/22 for marketing and packaging materials, as well as labor costs, which account for 45 percent and 31 percent of total direct costs, respectively. Labor costs are expected to further increase in MY 2022/23 as the South African Department of Employment and Labor published a new national minimum wage of R25.42 (\$1.38) per hour as of March 1, 2023. This is a 10 percent increase from R23.19 (\$1.26) in 2022. In response, producers are reducing labor costs by limiting the planting and grafting of new cultivars. Post observed uprooted table grape vineyards during field travel with no immediate replanting evident.

Figure 9: Area Planted to Table Grapes in South Africa

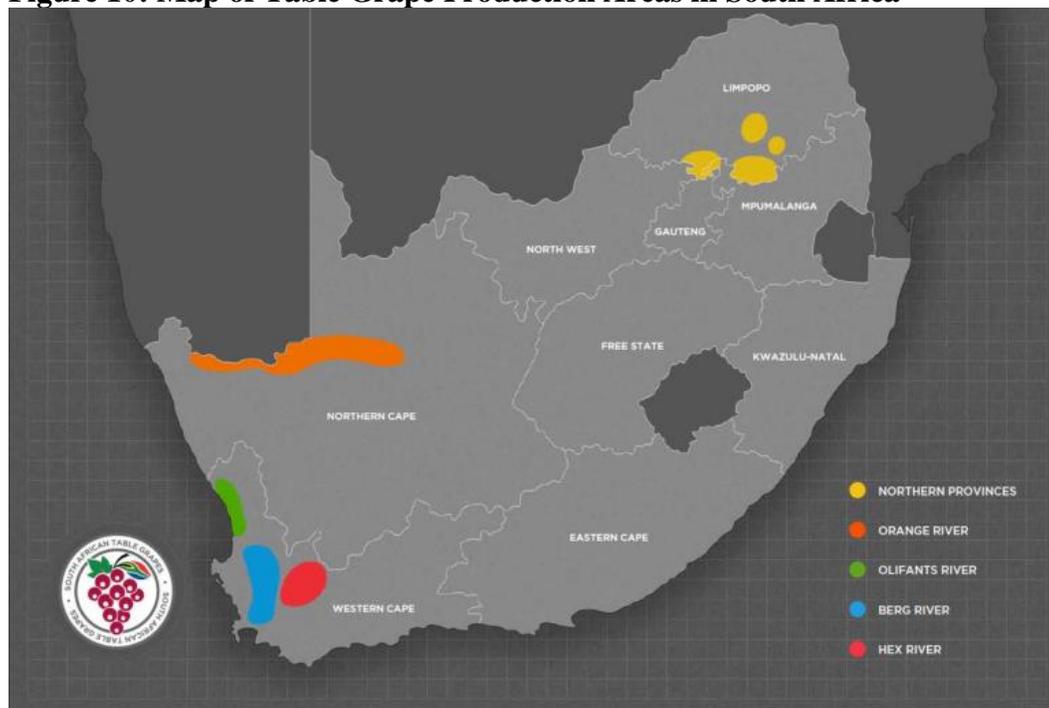


Source: South African Table Grape Industry (SATI) and Post estimate

In MY 2021/22, the area under production declined by 1 percent to 20,379 ha from 20,564 ha in 2020/21. Specific grape production areas that saw a decrease in area included Northern Province (-8 percent) and Berg River (-2 percent), but area in the Hex River region was unchanged, while the Orange River (+3 percent) and Olifants River (+1 percent) areas showed marginal increases. The Hex River

Valley in the Western Cape province is South Africa’s major growing area for table grapes, accounting for 31 percent of the total area planted in South Africa (see Figure 10). Other major production regions include the Orange River in the Northern Cape province (28 percent of total area), the Berg River Valley in the Western Cape (23 percent), and Limpopo province (12 percent) in northeastern South Africa.

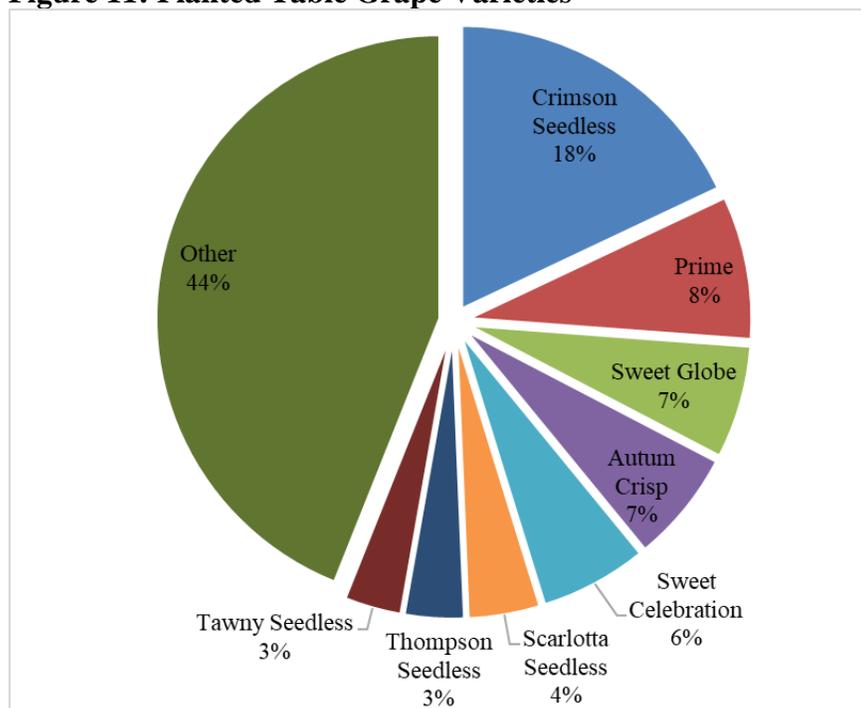
Figure 10: Map of Table Grape Production Areas in South Africa



Source: SATI

In MY 2021/22, the planted area was mostly covered with vines aged between 3-9 years (53 percent), followed by vines aged 10-15 years (19 percent), and areas older than 16 years (15 percent). About 2,740 ha (13 percent) was covered with new vines that were younger than 2 years. Based on varietal split per age for the top 5 varieties, Sweet Globe (43 percent), Autumn Crisp (38 percent), and Sweet Celebration (32 percent) saw significant expansion of hectares under production for new vines younger than 2 years. The cultivar profile of table grapes in South Africa has changed significantly over the past decade. Consumers prefer seedless grapes and as a result seeded cultivars are declining while the production of seedless table grapes varieties are growing. Less than 8 percent of current vineyards are still seeded table grapes.

Figure 11: Planted Table Grape Varieties



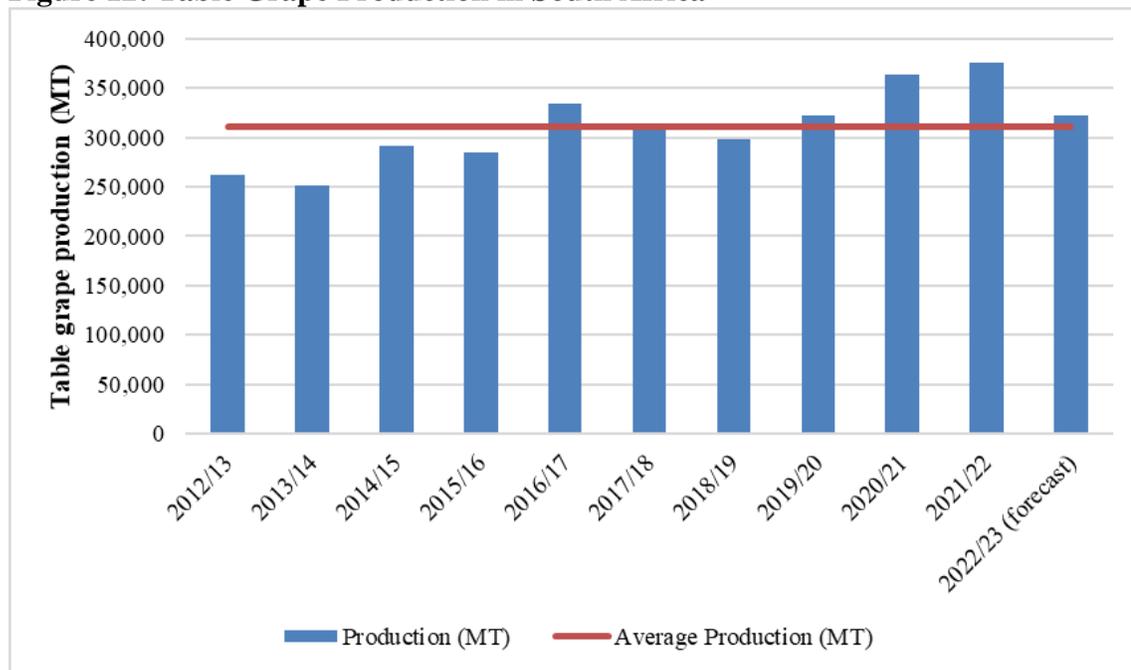
Source: 2022 SATI Tree Census

Production

Post revises table grape production in South Africa downwards to 340,000 MT in MY2022/23, after a record crop of 376,015 MT produced in MY 2021/22 (see Figure 12). This is based on a loss of fruit mainly in the Northern Cape province's Orange River region, which experienced a heatwave in January 2023. Additionally, this forecast is based on a marginal reduction in production area, and an expectation of a return to trend yields.

Although table grape production areas consolidated in MY 2021/22, the record crop was achieved by new higher yielding cultivars coming into full production and favorable weather conditions during the season.

Figure 12: Table Grape Production in South Africa



Source: USDA, SATI, and Post forecast

Consumption

South Africa’s table grape industry is mainly export-orientated, with more than 85 percent of production destined for foreign markets. The supply of table grapes to the domestic market is dependent on exports, with table grapes that cannot be sold to foreign buyers or those that do not meet export quality standards being sold to the domestic fresh produce market or supplied to processors. Table grapes are mainly consumed by upper middle-income and affluent consumers. Food price inflation in South Africa has reached a 14-year high, causing even higher-income consumers to look at ways to curb supermarket spending. As a result, consumers are expected to swap higher-cost exotic fruits for lower-priced fruit “staples” such as apples. Increased exports are putting downward pressure on local table grape consumption. As a result, for MY 2022/23, Post lowers domestic table grape consumption to 48,000 MT, down 4 percent from the 49,977 MT consumed in MY 2021/22. This is a change from MY 2020/21, when domestic consumption of table grapes surged by 5 percent to an estimated 51,347 MT on higher production and improved consumer demand for fresh produce.

Exports

Post revises South Africa’s table grape exports downwards to 300,000 MT in MY 2022/23 on lower production. In MY 2021/22, table grape exports grew by 4 percent to reach a record level of 335,750 MT on historically high production (see Table 8). However, inefficiencies at the Port of Cape Town, shipping delays, and high reefer container prices are placing significant pressure on the industry. Approximately 95 percent of South Africa’s table grapes exports move through the Port of Cape Town,

and the remainder leave through the Port of Durban. Table grapes are highly perishable and rely on smooth port throughput, South African exports have experienced repeated logistical challenges at the country's ports. In February 2023, during the peak of the table grape export season, the Cape Town harbor was closed for about 240 hours due to the strong winds, which significantly disrupted operations for this highly perishable product.

According to the industry's representative organization, the South African Table Grape Industry (SATI), the country exported 321,770 MT of table grapes in MY 2020/21, up 13 percent from the 284,280 MT exported in MY 2019/20 on improved local production.

Europe is the leading export market for South African table grapes, accounting for about 75 percent of total table grape exports in MY 2021/22. The Netherlands is the largest single country export market for South Africa's table grapes, accounting for more than 40 percent of total exports. South Africa benefits from a shorter shipping distance to Europe than other Southern Hemisphere competitors, and preferential trade agreements with the EU and United Kingdom. Exports to Asia, the Middle East, and Africa also have strong growth potential and are a core focus for the South African table grape industry. Export volumes to the United States have grown significantly over the past five years, but volumes are still below 5,000 MT, accounting for less than 2 percent of total table grape exports. The main varieties exported to the United States includes Autumn Crisp, Red Seedless, and Adora Seedless.

Table 8: South Africa's Table Grape Exports

Export destinations	2020/21 (MT)	2021/22 (MT)	2022/23* (MT)
European Union	173,538	179,554	153,926
United Kingdom	70,992	75,027	57,591
Canada	17,885	20,152	17,978
Middle East	14,463	17,945	20,632
Southeast Asia	15,517	15,839	15,055
Far East	12,333	11,290	8,006
Africa	4,748	5,957	4,405
United States	4,867	3,719	2,745
Russia	4,836	3,452	3,726
All others	2,590	2,813	1,396
Total	321,769	335,747	285,460

Source: SATI

*Exports through week 15 of 2023

Imports

South Africa is a net exporter of table grapes. Imports primarily fill the off-season demand from around July to November. Spain, Egypt, and Namibia are the primary suppliers (see Table 9), with both Namibian and Spanish grapes entering the market duty-free. Namibian table grape season starts a few weeks earlier than South Africa's, and exports are mainly between October and January. Post revises table grape imports downwards to 8,000 MT in MY 2022/23, a decrease of 18 percent from the 9,712

MT imported in 2021/22, due to expected lower demand by South African consumers, as discussed above. In MY 2021/22, table grape imports increased by 7 percent year-over-year, to 9,712 MT after record local production the previous season.

Table 9: South Africa’s Table Grape Imports

Partner Country	Unit	2020/21	2021/22	2022/23*
Namibia	T	2,474	2,051	4,140
Spain	T	3,299	3,887	816
Egypt	T	3,203	3,750	13
World	T	9,053	9,712	4,969

Source: Trade Data Monitor

*Import data through March 2023

The United States does not have market access for table grapes into South Africa. However, if access were granted to the United States, exports would be subject to a 4 percent customs duty, as shown in Table 10.

Table 10: Tariff Rates, Grapes Fresh

Heading / Subheading	Article / Description	Rate of Duty					
		General	EU/UK	EFTA	SADC	Mercosur	AfCFTA
0806.10	Grapes, fresh	4%	Free	4%	Free	4%	3.2%

Source: SARS

Table 11: Production, Supply and Distribution of Table Grapes

Grapes, Fresh Table Market Year Begins	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
South Africa						
Area Planted (HA)	20564	20564	20349	20379	20300	20270
Area Harvested (HA)	18000	18000	18500	18500	18500	18250
Commercial Production (MT)	364063	364063	380000	376015	350000	340000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	364063	364063	380000	376015	350000	340000
Imports (MT)	9100	9053	9700	9712	10000	8000
Total Supply (MT)	373163	373116	389700	385727	360000	348000
Fresh Dom. Consumption (MT)	51393	51347	53900	49977	50000	48000
Exports (MT)	321770	321769	335800	335750	310000	300000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	373163	373116	389700	385727	360000	348000
(HA) ,(MT)						

Policies and Regulations

Table 12 provides a list of the regulations applicable to apples, pears, and table grapes in South Africa. Exporters should also be aware that an importer may request additional certifications over and above the minimum legislation and regulations indicated in this section.

Table 12: List of Key Legislations and Regulations

Policy or Regulation	Website Links
Agriculture Product Standards Act No 119 of 1990	Agricultural Product Standard Act
Agricultural Pests, Act, 36 of 1983	Agricultural Pests Act
Foodstuffs, cosmetics, and disinfectants Act 54 of 1972	Foodstuffs, cosmetics and disinfectants act
Procedures for exporting to South Africa	Plant Health (Import into SA)
Maximum Residue Limits	Maximum Residue Limits
Regulations relating to standards, grading, packing, and marking	Apples Local Import Regulations - Apples Pears Local Import Regulations - Pears Table Grapes Local Import Regulations - Table grapes
Import Protocols	Phytosanitary import requirements for importation of Apples from China to South Africa Phytosanitary import requirements for importation of Apples from Netherlands to South Africa Phytosanitary import requirements for importation of Pears from China to South Africa Phytosanitary import requirements for importation of Apples from USA, PNW to South Africa

Source: DALRRD

Attachments:

No Attachments